

## **Historic, Archive Document**

Do not assume content reflects current scientific knowledge, policies, or practices.



1  
G76Ru



UNITED STATES  
DEPARTMENT OF AGRICULTURE  
LIBRARY



BOOK NUMBER <sup>1</sup>  
G76Ru

ere 8-7671



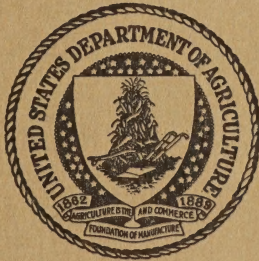
6 Ru p

UNITED STATES DEPARTMENT OF AGRICULTURE  
GRAIN FUTURES ADMINISTRATION

RECEIVED  
JUN 6 - 1935  
U. S. Department of Agriculture

**RULES AND REGULATIONS**  
OF THE  
**SECRETARY OF AGRICULTURE**  
UNDER THE  
**GRAIN FUTURES ACT**

Issued June 22, 1923  
Amended January 20, 1926, and December 15, 1933







# United States Department of Agriculture

## GRAIN FUTURES ADMINISTRATION

---

### RULES AND REGULATIONS OF THE SECRETARY OF AGRICULTURE UNDER THE GRAIN FUTURES ACT

---

UNITED STATES DEPARTMENT OF AGRICULTURE,  
OFFICE OF THE SECRETARY,  
Washington, D. C.

By virtue of the authority vested in the Secretary of Agriculture by the Grain Futures Act, approved September 21, 1922 (42 Stat. 998), I, Henry C. Wallace, Secretary of Agriculture, do make, prescribe, and give public notice of the rules and regulations hereto annexed, to be in force and effect until amended or superseded under the authority of said act.

In testimony whereof I have hereunto set my hand and caused the official seal of the Department of Agriculture to be affixed in the city of Washington this 22d day of June 1923.

[SEAL]

HENRY C. WALLACE,  
*Secretary of Agriculture.*

---

### GENERAL RULES AND REGULATIONS FOR CARRYING OUT THE PROVISIONS OF THE GRAIN FUTURES ACT OF SEPTEMBER 21, 1922, WITH RESPECT TO CONTRACT MARKETS

1. These rules and regulations are made and prescribed with respect to contract markets under the Grain Futures Act of September 21, 1922, a copy of which is hereto annexed. These rules and regulations shall apply and be enforced only in accordance with and subject to the provisions of said act, and shall not prevent the legitimate application or enforcement of any valid bylaw, rule, regulation, or requirement of any contract market which is not inconsistent or in conflict with the act and these rules and regulations.

2. Each contract market shall make, or cause to be made by its clearing members, reports to the Grain Futures Administration showing the facts specified in this regulation upon forms prescribed for the purpose by the Grain Futures Administration. If such contract market has a clearing-house organization which obtains and keeps reliable reports and records, reports may be accepted from such clearing-house organization, and the members of such organization may be relieved from making individual reports, to the extent that the clearing-house organization by authorization of such contract market supplies the facts called for by these regulations.

Except when otherwise specified in writing by the Grain Futures Administration upon good cause shown, the reports shall be made as soon as possible after the close of the market on each business day, and not later than 30 minutes before the official opening of the trading session on the next following business day. Each such report shall be prepared carefully, but in case any errors or omissions are discovered a memorandum thereof shall be furnished as soon as possible or with the next succeeding report. Each contract market shall deliver such reports or cause them to be delivered to the Grain Futures Administration in the city where such contract market is located. If there be no office of the Administration in such city the contract market shall mail such reports or cause them to be mailed in accordance with the instructions of the officer in charge of the Grain Futures Administration.

There shall be a report by or for each clearing member, which shall include all contracts of sale of grain for future delivery, made on or subject to the

rules of such contract market, to which he is a party either as seller or buyer. Such report shall show separately for each kind of grain and each delivery month the following facts:

- (a) The net position at the beginning of the period covered by the report;
- (b) The quantity of grain purchased and the quantity of grain sold on such contracts during the period covered by the report;
- (c) The quantity of grain delivered and the quantity of grain received on such contracts during the period covered by the report;
- (d) The net position at the end of the period covered by the report;
- (e) The aggregate of all "long" and the aggregate of all "short" accounts carried at the end of the period covered by the report by the clearing member for whom the report is made; and
- (f) The net position, at the end of the period covered by the report, of each separate account carried by such clearing member, when such net position equals or exceeds such amount as shall be specified in a written notice from time to time by the Grain Futures Administration to such contract market.<sup>1</sup>

For the purposes of item (f), a distinguishing designation shall be used instead of the name of any person, but the name and address of such person shall be given upon request to a representative of the Grain Futures Administration authorized for the purpose by the officer in charge thereof. Such designation shall always be used for the same person and not for any other person and may be changed only by or with the approval of such representative.<sup>2</sup>

3. Each member of a contract market shall, in accordance with the requirements of subdivision (b) of section 4 and subdivision (b) of section 5 of the act, keep the records required thereby with respect to transactions for future delivery and cash transactions, in chronological order in such manner as to be readily accessible. He shall exhibit the same for inspection, or shall furnish true information or reports as to the contents or the meaning thereof, when and as requested by a representative of the United States Department of Agriculture authorized for the purpose by the officer in charge of the Grain Futures Administration. Each member shall when and as requested by such representative of the Department of Agriculture make reports showing the identification, the kind, the grade, and the price of grain bought or sold by such member in the cash grain market. The records as to transactions for future delivery shall be so kept as to show whether or not the persons for whom such transactions are executed by each member are engaged in the cash grain business.<sup>3</sup>

4. No representative of the Department of Agriculture shall, without the consent of the member, divulge or make known in any manner, except insofar as such representative may be required in order to perform his official duties or by a court of competent jurisdiction, any facts or information regarding the business of a member of a contract market which may come to the knowledge of such representative through any inspection or examination of the reports or records of, or through any information given by, such member pursuant to the act and these rules and regulations.

5. Each contract market shall as soon as possible from time to time furnish to the office of the Grain Futures Administration to which other reports are made reports showing all changes proposed and/or approved in membership or bylaws, rules, or regulations, and any official orders or announcements of the board of trade, not previously reported.

6. Each member of a contract market shall furnish, or cause to be furnished or exhibited, to the governing board of such contract market when requested by it, and to the officer in charge of the Grain Futures Administration or his representative when requested by him, a true copy of any report, circular, letter, or telegram published or given general circulation by such member concerning crop or market information or conditions that affect or tend to affect the price of commodities, and the true source or authority of such member for the information therein contained.

7. Every member of a contract market shall promptly report to the governing board of such contract market and to the officer in charge of the Grain Futures Administration, or his representative, all information in the possession of such member relating to any attempted manipulation of prices or corner of any grain by any dealer or operator upon such board.

<sup>1</sup> See provisions added by amendment of Jan. 20, 1923, pp. 3-4.

<sup>2</sup> See footnote 1.

<sup>3</sup> See paragraph added by amendment of Dec. 15, 1933, p. 4.



8. For the purposes of these rules and regulations, unless the context otherwise require—

(a) Words in the singular form import the plural and vice versa, as the case may demand;

(b) "Person" includes individuals, associations, partnerships, corporations, and trusts;

(c) The act, omission, or failure of any official, agent, or other person acting for any individual, association, partnership, corporation, or trust, within the scope of his employment or office, shall be deemed the act, omission, or failure of such individual, association, partnership, corporation, or trust as well as of such official, agent, or other person;

(d) "Grain" means wheat, corn, oats, barley, rye, flax, and sorghum;

(e) "Future delivery" does not include any sale of cash grain for deferred shipment or delivery;

(f) "Board of trade" means any exchange or association, whether incorporated or unincorporated, of persons who shall be engaged in the business of buying or selling grain or receiving the same for sale on consignment;

(g) "Contract market" means a board of trade designated by the Secretary of Agriculture as a contract market under the Grain Futures Act;

(h) "Contract of sale" includes sales, agreements of sale, and agreements to sell;

(i) "Delivery month" means the month of delivery specified in a contract of sale of grain for future delivery;

(j) "Clearing member" means a member of a contract market whose name appears as seller or as buyer of a contract of sale of grain for future delivery made on or subject to the rules of such contract market, regardless of whether such contract be actually cleared or not; and

(k) "Grain Futures Administration" means the officer or officers designated by the Secretary of Agriculture to carry out the provisions of the Grain Futures Act.

## AMENDMENT OF JANUARY 20, 1926, TO RULES AND REGULATIONS

DEPARTMENT OF AGRICULTURE,  
OFFICE OF THE SECRETARY,  
Washington, D. C.

By virtue of the authority vested in the Secretary of Agriculture by the Grain Futures Act approved September 21, 1922 (42 Stat. 998), I, William M. Jardine, Secretary of Agriculture, do hereby amend the General Rules and Regulations for Carrying out the Provisions of the Grain Futures Act of September 21, 1922, with Respect to Contract Markets, as follows:

Add at the end of subdivision (f) of section 2—

"Whenever any member carries or has under his control more than one account with any clearing member of a contract market, and the total volume of such accounts is equal to or in excess of the amount fixed in accordance with subdivision (f) of section 2 of these rules and regulations, then the total long and the total short position of all such accounts shall be reported and the names of all persons interested in such accounts shall be furnished to the supervisor in charge.

"Whenever a member has under his control an amount of wheat, corn, oats, barley, rye, flax, or sorghum equaling or exceeding the amount fixed in accordance with subdivision (f) of section 2 of these rules and regulations, and files for execution an order for the purchase or sale of any grain future, such individual shall report that day to the Grain Futures Administration his total long and/or total short positions in the several futures in that grain in the market.

"Each contract market shall make, or cause to be made, by its nonclearing members reports showing all or such part of the facts required to be shown by or for clearing members as the Grain Futures Administration shall from time to time specify.

"Whenever any nonmember of a contract market has under his control an amount of wheat, corn, oats, barley, rye, flax, or sorghum equaling or exceeding the amount fixed in accordance with subdivision (f) of section 2 of these rules and regulations, and files for execution an order for the purchase or sale of any grain future, such nonmember shall comply with all the requirements and regulations applicable under the rules and regulations to members of the contract markets."

Add at the end of section 2—

"In filing name and address of principals of accounts it is not sufficient simply to file the information as the account of John Doe Grain Co., Minneapolis office, New York office, or London office, but the names and addresses of actual individuals must be given."

In testimony whereof I have hereunto set my hand and caused the official seal of the Department of Agriculture to be affixed in the city of Washington this 20th day of January 1926.

[SEAL]

W. M. JARDINE,  
*Secretary of Agriculture.*

## AMENDMENT OF DECEMBER 15, 1933, TO RULES AND REGULATIONS

DEPARTMENT OF AGRICULTURE,  
OFFICE OF THE SECRETARY,  
Washington, D. C.

By virtue of the authority vested in the Secretary of Agriculture by the Grain Futures Act, approved September 21, 1922 (42 Stat. 998, 7 U. S. C. secs. 1-17), I, H. A. Wallace, Secretary of Agriculture, do make, prescribe, and give public notice of the following amendment to the rules and regulations under said act to be in force and effect on and after December 15, 1933, until amended or superseded under the authority of said act.

Section 3 of said rules and regulations is amended by adding thereto the following paragraph:

"Each member of a contract market shall keep for a period of five (5) years from the date thereof the records required to be kept by subdivision (b) of section 4 and subdivision (b) of section 5 of the Grain Futures Act including all orders, trading cards, street books, journals, ledgers, margin records, cancelled checks, copies of confirmations and statements of purchase and sale, together with all other data and memoranda and records of every sort pertaining to transactions in cash grain and of contracts of sale of grain for future delivery. This requirement shall apply to all existing records without regard to date."

In testimony whereof I have hereunto set my hand and caused the official seal of the Department of Agriculture to be affixed in the city of Washington, this 15th day of December 1933.

[SEAL]

H. A. WALLACE,  
*Secretary of Agriculture.*

## GRAIN FUTURES ACT

(42 U. S. Statutes at Large, p. 998, U. S. Code, title 7, secs. 1-17)

An Act For the prevention and removal of obstructions and burdens upon interstate commerce in grain, by regulating transactions on grain future exchanges, and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* This Act shall be known by the short title of "The Grain Futures Act."

SEC. 2. (a) For the purposes of this Act "contract of sale" shall be held to include sales, agreements of sale, and agreements to sell. The word "person" shall be construed to import the plural or singular, and shall include individuals, associations, partnerships, corporations, and trusts. The word "grain" shall be construed to mean wheat, corn, oats, barley, rye, flax, and sorghum. The term "future delivery," as used herein, shall not include any sale of cash grain for deferred shipment or delivery. The words "board of trade" shall be held to include and mean any exchange or association, whether incorporated or unincorporated, of persons who shall be engaged in the business of buying or selling grain or receiving the same for sale on consignment. The act, omission, or failure of any official, agent, or other person acting for any individual, association, partnership, corporation, or trust within the scope of his employment or office shall be deemed the act, omission, or failure of such individual, association, partnership, corporation, or trust, as well as of such official, agent, or other person. The words "interstate commerce" shall be construed to mean commerce between any State, Territory, or possession, or the District of Columbia, and any place outside thereof; or between points within the same State, Terri-



tory, or possession, or the District of Columbia, but through any place outside thereof, or within any Territory or possession, or the District of Columbia.

(b) For the purposes of this Act (but not in any wise limiting the foregoing definition of interstate commerce) a transaction in respect to any article shall be considered to be in interstate commerce if such article is part of that current of commerce usual in the grain trade whereby grain and grain products and by-products thereof are sent from one State with the expectation that they will end their transit, after purchase, in another, including, in addition to cases within the above general description, all cases where purchase or sale is either for shipment to another State, or for manufacture within the State and the shipment outside the State of the products resulting from such manufacture. Articles normally in such current of commerce shall not be considered out of such commerce through resort being had to any means or device intended to remove transactions in respect thereto from the provisions of this Act. For the purpose of this paragraph the word "State" includes Territory, the District of Columbia, possession of the United States, and foreign nation.

SEC. 3. Transactions in grain involving the sale thereof for future delivery as commonly conducted on boards of trade and known as "futures" are affected with a national public interest; that such transactions are carried on in large volume by the public generally and by persons engaged in the business of buying and selling grain and the products and by-products thereof in interstate commerce; that the prices involved in such transactions are generally quoted and disseminated throughout the United States and in foreign countries as a basis for determining the prices to the producer and the consumer of grain and the products and by-products thereof and to facilitate the movements thereof in interstate commerce; that such transactions are utilized by shippers, dealers, millers, and others engaged in handling grain and the products and by-products thereof in interstate commerce as a means of hedging themselves against possible loss through fluctuations in price; that the transactions and prices of grain on such boards of trade are susceptible to speculation, manipulation, and control, and sudden or unreasonable fluctuations in the prices thereof frequently occur as a result of such speculation, manipulation, or control, which are detrimental to the producer or the consumer and the persons handling grain and products and by-products thereof in interstate commerce, and that such fluctuations in prices are an obstruction to and a burden upon interstate commerce in grain and the products and by-products thereof and render regulation imperative for the protection of such commerce and the national public interest therein.

SEC. 4. It shall be unlawful for any person to deliver for transmission through the mails or in interstate commerce by telegraph, telephone, wireless, or other means of communication any offer to make or execute, or any confirmation of the execution of, or any quotation or report of the price of, any contract of sale of grain for future delivery on or subject to the rules of any board of trade in the United States, or for any person to make or execute such contract of sale, which is or may be used for (a) hedging any transaction in interstate commerce in grain or the products or by-products thereof, or (b) determining the price basis of any such transaction in interstate commerce, or (c) delivering grain sold, shipped, or received in interstate commerce for the fulfillment thereof, except—

(a) Where the seller is at the time of the making of such contract the owner of the actual physical property covered thereby, or is the grower thereof, or in case either party to the contract is the owner or renter of land on which the same is to be grown, or is an association of such owners, or growers of grain, or of such owners or renters of land; or

(b) Where such contract is made by or through a member of a board of trade which has been designated by the Secretary of Agriculture as a "contract market," as hereinafter provided, and if such contract is evidenced by a record in writing which shows the date, the parties to such contract and their addresses, the property covered and its price, and the terms of delivery: *Provided*, That each board member shall keep such record for a period of three years from the date thereof, or for a longer period if the Secretary of Agriculture shall so direct, which record shall at all times be open to the inspection of any representative of the United States Department of Agriculture or the United States Department of Justice.

SEC. 5. The Secretary of Agriculture is hereby authorized and directed to designate any board of trade as a "contract market" when, and only when, such

board of trade complies with and carries out the following conditions and requirements:

(a) When located at a terminal market where cash grain of the kind specified in the contracts of sale of grain for future delivery to be executed on such board is sold in sufficient volumes and under such conditions as fairly to reflect the general value of the grain and the differences in value between the various grades of such grain, and where there is available to such board of trade official inspection service approved by the Secretary of Agriculture for the purpose.

(b) When the governing board thereof provides for the making and filing by the board or any member thereof, as the Secretary of Agriculture may direct, of reports in accordance with the rules and regulations, and in such manner and form and at such times as may be prescribed by the Secretary of Agriculture, showing the details and terms of all transactions entered into by the board, or the members thereof, either in cash transactions consummated at, on, or in a board of trade, or transactions for future delivery, and when such governing board provides, in accordance with such rules and regulations, for the keeping of a record by the board or the members of the board of trade, as the Secretary of Agriculture may direct, showing the details and terms of all cash and future transactions entered into by them, consummated at, on, or in a board of trade, such record to be in permanent form, showing the parties to all such transactions, including the persons for whom made, any assignments or transfers thereof, with the parties thereto, and the manner in which said transactions are fulfilled, discharged, or terminated. Such record shall be required to be kept for a period of three years from the date thereof, or for a longer period if the Secretary of Agriculture shall so direct, and shall at all times be open to the inspection of any representative of the United States Department of Agriculture or United States Department of Justice.

(c) When the governing board thereof provides for the prevention of dissemination by the board or any member thereof, of false or misleading or knowingly inaccurate reports concerning crop or market information or conditions that affect or tend to affect the price of grain in interstate commerce.

(d) When the governing board thereof provides for the prevention of manipulation of prices or the cornering of any grain by the dealers or operators upon such board.

(e) When the governing board thereof does not exclude from membership in, and all privileges on, such board of trade, any duly authorized representative of any lawfully formed and conducted cooperative association of producers having adequate financial responsibility which is engaged in cash grain business, if such association has complied, and agrees to comply, with such terms and conditions as are or may be imposed lawfully on other members of such board: *Provided*, That no rule of a contract market shall forbid or be construed to forbid the return on a patronage basis by such cooperative association to its bona fide members of moneys collected in excess of the expense of conducting the business of such association.

(f) When the governing board provides for making effective the final orders or decisions entered pursuant to the provisions of paragraph (b) of section 6 of this Act.

Sec. 6. Any board of trade desiring to be designated a "contract market" shall make application to the Secretary of Agriculture for such designation and accompany the same with a showing that it complies with the above conditions, and with a sufficient assurance that it will continue to comply with the above requirements.

(a) A commission composed of the Secretary of Agriculture, the Secretary of Commerce, and the Attorney General is authorized to suspend for a period not to exceed six months or to revoke the designation of any board of trade as a "contract market" upon a showing that such board of trade has failed or is failing to comply with any of the above requirements or is not enforcing its rules of government made a condition of its designation as set forth in section 5. Such suspension or revocation shall only be after a notice to the officers of the board of trade affected and upon a hearing: *Provided*, That such suspension or revocation shall be final and conclusive unless within fifteen days after such suspension or revocation by the said commission such board of trade appeals to the circuit court of appeals for the circuit in which it has its principal place of business by filing with the clerk of such court a written petition praying that the order of the said commission be set aside or modified in the manner stated in the petition, together with a bond in such sum as the court may determine, conditioned that such board of trade will pay the costs of the proceedings if the court so directs. The clerk of



the court in which such a petition is filed shall immediately cause a copy thereof to be delivered to the Secretary of Agriculture, chairman of said commission, or any member thereof, and the said commission shall forthwith prepare, certify, and file in the court a full and accurate transcript of the record in such proceedings, including the notice to the board of trade, a copy of the charges, the evidence, and the report and order. The testimony and evidence taken or submitted before the said commission duly certified and filed as aforesaid as a part of the record shall be considered by the court as the evidence in the case. The proceedings in such cases in the circuit court of appeals shall be made a preferred cause and shall be expedited in every way. Such a court may affirm or set aside the order of the said commission or may direct it to modify its order. No such order of the said commission shall be modified or set aside by the circuit court of appeals unless it is shown by the board of trade that the order is unsupported by the weight of the evidence or was issued without due notice and a reasonable opportunity having been afforded to such board of trade for a hearing, or infringes the Constitution of the United States, or is beyond the jurisdiction of said commission: *Provided further*, That if the Secretary of Agriculture shall refuse to designate as a contract market any board of trade that has made application therefor, then such board of trade may appeal from such refusal to the commission described therein, consisting of the Secretary of Agriculture, the Secretary of Commerce, and the Attorney General of the United States, with the right to appeal as provided for in other cases in this section, the decision on such appeal to be final and binding on all parties interested.

(b) If the Secretary of Agriculture has reason to believe that any person is violating any of the provisions of this Act, or is attempting to manipulate the market price of any grain in violation of the provisions of section 5 hereof, or of any of the rules or regulations made pursuant to its requirements, he may serve upon such person a complaint stating his charge in that respect, to which complaint shall be attached or contained therein a notice of hearing, specifying a day and place not less than three days after the service thereof, requiring such person to show cause why an order should not be made directing that all contract markets until further notice of the said commission refuse all trading privileges thereon to such person. Said hearing may be held in Washington, District of Columbia, or elsewhere, before the said commission, or before a referee designated by the Secretary of Agriculture, who shall cause all evidence to be reduced to writing and forthwith transmit the same to the Secretary of Agriculture as chairman of the said commission. That for the purpose of securing effective enforcement of the provisions of this Act the provisions, including penalties, of section 12 of the Interstate Commerce Act, as amended, relating to the attendance and testimony of witnesses, the production of documentary evidence, and the immunity of witnesses, are made applicable to the power, jurisdiction, and authority of the Secretary of Agriculture, the said commission, or said referee in proceedings under this Act, and to persons subject to its provisions. Upon evidence received the said commission may require all contract markets to refuse such person all trading privileges thereon for such period as may be specified in said order. Notice of such order shall be sent forthwith by registered mail or delivered to the offending person and to the governing boards of said contract markets. After the issuance of the order by the commission, as aforesaid, the person against whom it is issued may obtain a review of such order or such other equitable relief as to the court may seem just by filing in the United States circuit court of appeals of the circuit in which the petitioner is doing business a written petition praying that the order of the commission be set aside. A copy of such petition shall be forthwith served upon the commission by delivering such copy to its chairman or to any member thereof, and thereupon the commission shall forthwith certify and file in the court a transcript of the record theretofore made, including evidence received. Upon the filing of the transcript the court shall have jurisdiction to affirm, to set aside, or modify the order of the commission, and the findings of the commission as to the facts, if supported by the weight of evidence, shall in like manner be conclusive. In proceedings under paragraphs (a) and (b) the judgment and decree of the court shall be final, except that the same shall be subject to review by the Supreme Court upon certiorari, as provided in section 240 of the Judicial Code.

SEC. 7. Any board of trade that has been designated a contract market in the manner herein provided may have such designation vacated and set aside by giving notice in writing to the Secretary of Agriculture requesting that its designation as a contract market be vacated, which notice shall be served at

least ninety days prior to the date named therein as the date when the vacation of designation shall take effect. Upon receipt of such notice the Secretary of Agriculture shall forthwith order the vacation of the designation of such board of trade as a contract market, effective upon the day named in the notice, and shall forthwith send a copy of the notice and his order to all other contract markets. From and after the date upon which the vacation became effective the said board of trade can thereafter be designated again a contract market by making application to the Secretary of Agriculture in the manner herein provided for an original application.

SEC. 8. For the efficient execution of the provisions of this Act, and in order to provide information for the use of Congress, the Secretary of Agriculture may make such investigations as he may deem necessary to ascertain the facts regarding the operations of boards of trade, whether prior or subsequent to the enactment of this Act, and may publish from time to time, in his discretion, the result of such investigation and such statistical information gathered therefrom as he may deem of interest to the public, except data and information which would separately disclose the business transactions of any person and trade secrets or names of customers: *Provided*, That nothing in this section shall be construed to prohibit the Secretary of Agriculture from making or issuing such reports as he may deem necessary relative to the conduct of any board of trade or of the transactions of any person found guilty of violating the provisions of this Act under the proceedings prescribed in section 6 of this Act: *Provided further*, That the Secretary of Agriculture in any report may include the facts as to any actual transaction. The Secretary of Agriculture, upon his own initiative or in cooperation with existing governmental agencies, shall investigate marketing conditions of grain and grain products and by-products, including supply and demand for these commodities, cost to the consumer, and handling and transportation charges. He shall likewise compile and furnish to producers, consumers, and distributors, by means of regular or special reports, or by such methods as he may deem most effective, information respecting the grain markets, together with information on supply, demand, prices, and other conditions in this and other countries that affect the markets.

SEC. 9. Any person who shall violate the provisions of section 4 of this Act, or who shall fail to evidence any contract mentioned in said section by a record in writing as therein required, or who shall knowingly or carelessly deliver for transmission through the mails or in interstate commerce by telegraph, telephone, wireless, or other means of communication false or misleading or knowingly inaccurate reports concerning crop or market information or conditions that affect or tend to affect the price of grain in interstate commerce, shall be deemed guilty of a misdemeanor, and, upon conviction thereof, be fined not more than \$10,000 or imprisoned for not more than one year, or both, together with the costs of prosecution.

SEC. 10. If any provision of this Act or the application thereof to any person or circumstances is held invalid, the validity of the remainder of the Act and of the application of such provision to other persons and circumstances shall not be affected thereby.

SEC. 11. No fine or imprisonment shall be imposed for any violation of this Act occurring before the first day of the second month following its passage.

SEC. 12. The Secretary of Agriculture may cooperate with any department or agency of the Government, any State, Territory, District, or possession, or department, agency, or political subdivision thereof, or any person; and shall have the power to appoint, remove, and fix the compensation of such officers and employees, not in conflict with existing law, and make such expenditures for rent outside the District of Columbia, printing, telegrams, telephones, law books, books of reference, periodicals, furniture, stationery, office equipment, travel, and other supplies and expenses as shall be necessary to the administration of this Act in the District of Columbia and elsewhere, and there are hereby authorized to be appropriated, out of any moneys in the Treasury not otherwise appropriated, such sums as may be necessary for such purposes.

Approved, September 21, 1922.









1

G76Ru

D. 5.

Gr

